



## **TESTIMONY**

UNIVERSAL HEALTH CARE ACTION NETWORK OF OHIO (UHCAN OHIO)

Substitute House Bill 49: Main Operating Budget

Senate Finance Health and Medicaid Subcommittee

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Chairman Hackett, Vice Chair Tavares and members of the Committee, thank you for the opportunity to testify today. I am Kathleen Gmeiner, Project Director at the Universal Health Care Action Network of Ohio (UHCAN Ohio). UHCAN Ohio is a statewide nonprofit organization working to inform and unite consumers and their allies to assure everyone has access to quality, affordable health care. We are a member of Advocates for Ohio's Future, the umbrella health and human services coalition for the state of Ohio, and the Ohio Consumers for Health Coverage.

UHCAN Ohio supports the continued coverage of the Medicaid populations, including the expansion population. This program, known as "Group VIII" has assisted 700,000 very poor Ohioans since the beginning of 2014 to secure basic health care that many of them had not had in years. The Expansion is a critical component in creating health equity and reducing health disparities. You will hear today from one of the 700,000 enrollees, Mr. Jackie Green. UHCAN Ohio opposes the Healthy Families program's requirement that Medicaid beneficiaries make a monthly payment to keep their access to health care. UHCAN Ohio also opposes certain constraints added to the House budget, including employment requirements.

I. Recent Data Supports the Medicaid Expansion

According to the Ohio Group VIII Medicaid Expansion Assessment<sup>1</sup> released by the Ohio Department of Medicaid in December 2016, there has been a 56% reduction in the uninsured rate among low-income Ohio adults, and 89% of the new Medicaid enrollees had no health insurance at the time of enrollment.

48% of the enrollees reported improvements in their health. Those with evidence of a mental health condition also showed greater improvements in access to health care (68.5% versus 62.4%). Emergency department use, which is often a very costly form of care, decreased for Group VIII enrollees. Nearly half of Group VIII enrollees (47.7%) reported improvement in their overall health status since enrolling in Medicaid. Group VIII enrollees experienced improved chronic disease and health risk factor management for conditions such as heart disease and depression. It is critical that the Ohio budget continues to cover all populations and critical that our U.S. Congress continues Medicaid as a state-federal partnership that covers all eligible persons with quality care. Please assure that the working poor and others covered by the Medicaid expansion continue to have access to health care and the opportunity to be healthy.

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<sup>1</sup>Ohio Medicaid Group VIII Assessment: A Report to the Ohio General Assembly (December 2016)  
<http://bit.ly/2mfXeXn>

II. The Imposition of Premiums Will Result in Fewer Eligible Ohio Adults Receiving Care and Will Increase Health Disparities

In 2016 Ohio's Department of Medicaid requested a federal waiver (the Healthy Ohio waiver) to allow Ohio to charge a premium to most Medicaid recipients. When the Ohio Department of Medicaid analyzed the impact of Healthy Ohio last year it estimated that the policy would result in 126,000 Ohioans losing Medicaid coverage.<sup>2</sup>

The expansion of Medicaid was the most dramatic act in decades to create health equity. However, Ohio still has significant health challenges based in race and ethnicity. Because we think that it is critical that everyone have an equal opportunity to be healthy, UHCAN Ohio is opposed to the imposition of premiums for any part of the Medicaid population. A premium program would increase health disparities by increasing the number of persons of color that do not have health coverage. Whites make up the majority of Medicaid recipients in Ohio, but because of race-based income inequality, a much larger percentage of the non-white population must rely on Medicaid to access health care. In 2014, 20% of Ohioans described as white were on Medicaid, while 42% of people described as black and 33% of Hispanics were on Medicaid.<sup>3</sup> Any policy that negatively impacts the population on Medicaid will inescapably harm a larger percentage of Ohio's communities of color.

This is why we believe that this budget, which will require monthly premium payments, will lead to a disproportionate loss of Medicaid coverage in communities of color and will exacerbate the health disparities that exist across race and ethnicity in Ohio.

The Health Policy Institute of Ohio's recently released health value dashboard provides a good overview of how dramatic a problem Ohio has with health disparities. For data available by population groups, Ohio had 66 out of 73 measures where medium to large disparities were identified. People of color often delay or forego getting health care because of cost,<sup>4</sup> not because they do not value health, but due to their need to pay for shelter and food.

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<sup>2</sup> Healthy Ohio Section 1115 Demonstration Waiver Summary. Public Notice and Request for Comment. April 5, 2016. Accessed April 6, 2016. <http://medicaid.ohio.gov/Portals/0/Resources/PublicNotices/HealthyOhio-Summary.pdf> Recent data from Indiana's Healthy Indiana Plan suggests a sizeable number of people will be unable to afford their benefits when required to make monthly payments. See Healthy Indiana Plan 2.0: POWER Account Contribution Assessment. The Lewin Group, Inc. (March 2017) <http://bit.ly/2pxdnf8>

<sup>3</sup> Kaiser Family Foundation State Health Facts; Medicaid Coverage Rates for the Non-Elderly by Race and Ethnicity; 2014. <http://kff.org/medicaid/state-indicator/rate-by-raceethnicity-3/>

<sup>4</sup> 14.2% of blacks reported that they went without care because of cost in comparison to 9.4% of whites and 22.5% of Hispanics. This number greatly improved due in part to the expansion. 2017 Health Value Dashboard. Health Policy Institute of Ohio. <http://www.healthpolicyohio.org/2017health-value-dashboard/>

Policies resulting in Medicaid premiums are counter to the vision of Medicaid expansion to improve care and reduce costs. We can do better for all people of Ohio. Please do not impose additional barriers on people who deserve health.

- III. The employment requirement will frustrate the purpose of the Medicaid Expansion to provide health coverage to adults too poor to secure health coverage in the private market.

The proposed Medicaid employment requirement added to HB 49 by the Ohio House would deny access to health care to low-income Ohioans at the very point they need it the most. While HB 49 exempts persons over 55 years of age, in school or training programs, “in recovery” from addiction, or who “have intensive healthcare needs,” it leaves people seeking employment without health coverage.

HB 49 eliminates coverage in arbitrary ways. For example, those who have already undergone job training, but have not yet found work are not eligible. Similarly, those who await a spot in a drug addiction treatment program are also not eligible if they are not employed.

There is anecdotal evidence from the Ohio ‘s Medicaid Expansion that it is most effective in improving health and saving taxpayer dollars by helping those who are unemployed and ill. These are often people who may not meet the strict social security standard of disability. They may be unable to prove that they have an intensive health care need, due to the absence of routine medical care.

You will hear from Jackie Green about the critical six-month period where he was treated for heart failure and COPD while he awaited a decision on his ultimately successful SSI application. Another witness at the House subcommittee hearing lost her coverage when she turned 26 and therefore aged out of her parent’s health plan. With medical care, she manages several mental health problems that will interfere with her ability to work if she is without medical care. Medicaid helped her remain stable as she searched for work. Today, she has full time employment with benefits that will kick in after a probation period.

### **Summary**

Because the Ohio Medicaid Expansion has been successful in improving care for 700,000 Ohio adults who have received its coverage; because payments required by the Ohio Healthy Families program are likely to result in 126,000 Ohioans losing coverage; because an employment requirement is likely to leave uncovered those who most need Medicaid expansion to improve their health and secure work, UHCAN Ohio asks that this committee retain the Medicaid Expansion, but reject a requirement that those on Medicaid pay a premium and reject the employment requirement added by the House in Substitute HB 49. I am happy to answer any questions you might have.